

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., et al.,

Reorganized Debtors.

Chapter 11

**Case No. 01-1139 (KJC)
Jointly Administered**

Objection Deadline: July 8, 2014 at 4:00 p.m.

Hearing: October 14, 2014 at 10:00 a.m.

**FOURTH QUARTERLY AND FINAL FEE APPLICATION OF LINCOLN PARTNERS
ADVISORS LLC AS FINANCIAL ADVISOR TO DAVID T. AUSTERN, FORMER
ASBESTOS PI FUTURE CLAIMANTS' REPRESENTATIVE, AND ROGER FRANKEL,
SUCCESSOR ASBESTOS PI FUTURE CLAIMANTS' REPRESENTATIVE, FOR
COMPENSATION OF SERVICES RENDERED AND REIMBURSEMENT OF ACTUAL
AND NECESSARY EXPENSES INCURRED FOR THE FOURTH QUARTERLY
PERIOD FROM JANUARY 1, 2014 THROUGH FEBRUARY 3, 2014 AND THE FINAL
FEE PERIOD FROM SEPTEMBER 1, 2009 THROUGH FEBRUARY 3, 2014**

Pursuant to 11 U.S.C. §§ 330, 331 and 503 of the United States Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), Lincoln Partners Advisors LLC ("Lincoln"), financial advisor to David T. Austern, the former asbestos personal injury future claimants' representative (the "Former FCR"), and Roger Frankel, successor asbestos personal injury future claimants' representative ("Successor FCR")¹ hereby submits this combined fourth quarterly and final fee application (collectively, the "Final Fee Application") for final allowance of compensation for financial advisory services rendered by Lincoln and reimbursement of actual and necessary expenses incurred during the (i) fourth quarterly period from January 1, 2014 through February

¹ Pursuant to this Court's Order authorizing Roger Frankel's retention of Lincoln as his financial advisor, Lincoln is authorized to file a single consolidated final fee application covering all of the fees and expenses incurred by Lincoln in connection with its financial advisory services provided to David T. Austern and Roger Frankel [Dkt. No. 30903 ¶ 4].

3, 2014 (the “Fourth Quarterly Period”) in the amount of \$75,000.00 in fees and \$3,603.24 in expenses; and (ii) during the final fee period from September 1, 2009 through February 3, 2014 (the “Final Fee Period”) in the amount of \$2,920,000.00 in fees and \$34,998.27 in expenses, for a total award of \$2,954,998.27. In support of this Final Fee Application, Lincoln respectfully represents as follows:

Jurisdiction

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for relief sought herein are Sections 330, 331 and 503 of the Bankruptcy Code, Rule 2016 of the Bankruptcy Rules, and Rule 2016-2 of the Local Rules.

Factual Background of the Chapter 11 Cases

A. The Chapter 11 Cases

2. On April 2, 2001, W.R. Grace & Co. and certain of its affiliates (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”).

3. After years of litigation and negotiation, the Debtors filed the First Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of W. R. Grace & Co., et al., the Official Committee of Asbestos Personal Injury Claimants, the Asbestos PI Future Claimants’ Representative, and the Official Committee of Equity Security Holders as modified through December 23, 2010 (as amended from time to time, the “Plan”).

4. This Court confirmed the Plan by order entered January 31, 2011 [Dkt. No. 26155] (the “Confirmation Order”). The Confirmation Order was appealed to the United States District

Court for the District of Delaware [Case No. 11-199 (lead case)], which confirmed the Plan by order issued January 30, 2012 [Dkt. No. 166]. On June 11, 2012, the District Court issued an Amended Memorandum Opinion [Dkt. No. 217] and Amended Order [Dkt. No. 218] clarifying and expanding the discussion in its prior opinion and, once more, overruling all objections and confirming the Plan in its entirety.

5. Five parties appealed the District Court's orders confirming the Plan. The United States Court of Appeals for the Third Circuit affirmed the District Court's rulings in four of the five appeals. The parties resolved the fifth appeal in a settlement approved by this Court [Dkt. No. 31604], and the Third Circuit then entered an order dismissing that appeal [3d Cir., Case No. 12-1402, Feb. 3, 2014]. The Plan became effective on February 3, 2014 (the "Effective Date") [Dkt. No. 31732].

B. The Appointment of the Former FCR, the Successor FCR, and Lincoln as Financial Advisor

6. Effective May 24, 2004, the Court appointed David T. Austern as the legal representative for future asbestos personal injury claimants in these Chapter 11 Cases [Dkt. No. 5645]. Mr. Austern served as the future claimants' representative in these Chapter 11 Cases until his death on May 16, 2013.

7. In 2009, the Former FCR sought and received Court approval to retain Lincoln as his financial advisor in these Chapter 11 Cases, effective as of September 1, 2009. [Employment Application, Dkt. No. 23382; Approval Order, Dkt. No. 23785]. Accordingly, Lincoln served as the financial advisor to the Former FCR from September 1, 2009 until the time of his death on May 16, 2013.

8. Following the Former FCR's death, the Court appointed Roger Frankel as the Successor FCR in these cases, effective as of May 16, 2013 [Dkt. 30689]. The Successor FCR

sought and received Court approval to continue to retain Lincoln as his financial advisor, effective as of May 16, 2013. [Employment Application, Dkt. No. 30734; Approval Order, Dkt. No. 30903]. Accordingly, Lincoln served as financial advisor to the Successor FCR from May 16, 2013 through February 3, 2014.

The Administrative Order

9. The Administrative Order² in these Chapter 11 Cases approved and set forth certain procedures for the interim and monthly payment of professional fees and reimbursement of expenses, subject to final approval of the Court. Pursuant to the Administrative Order, Lincoln filed with the Court, and served on the required parties, monthly and quarterly fee applications for the period September 1, 2009 through February 3, 2014.

10. As of May 5, 2014, the Debtors had paid Lincoln, pursuant to the Administrative Order, 100% of its professional fees and expenses from September 1, 2009 through September 30, 2013. Lincoln has also received payment from the Debtors in connection with its monthly fee applications from October 1, 2013 through February 3, 2014 in the aggregate amount of \$136,305.40 (80% fees and 100% expenses). Lincoln has not yet received any payments from the Debtors in connection with the holdbacks for fees and expenses for October 1, 2013 through February 3, 2014. Accordingly, an aggregate amount of \$33,000.00 remains due and owing from the Debtors to Lincoln.

² The “Administrative Order” refers collectively to the Amended Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members, signed April 17, 2002 [Dkt. No. 1949] and the Administrative Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Allowance and Payment of Monthly Interim Compensation and Reimbursement of Expenses of Professionals, entered May 3, 2001 [Dkt. No. 198].

**Request for Approval of Compensation and Reimbursement of Expenses
for the Fourth Quarterly Period and the Final Fee Period**

11. By this Final Fee Application, Lincoln respectfully requests that the Court award it final compensation for services rendered and reimbursement of expenses incurred in connection with its services as financial advisor to the Former FCR and Successor FCR during the Final Fee Period, in the aggregate amount of \$2,920,000.00 in fees and \$34,998.27 in expenses, for a total award of \$2,954,998.27.

12. In support of this Final Fee Application, Lincoln incorporates herein by reference its quarterly fee applications for the periods September 1, 2009 through February 3, 2014. Below is a summary of same.

Application		Requested Fees and Expenses		Approved/Paid Fees and Expenses as of May 5, 2014		Amounts Outstanding	CNO or COC	Approval Order
Dated Filed (DI No.)	Period Covered	Requested Fees	Requested Expenses	Approved/Paid Fees	Approved/Paid Expenses	Fees/Expenses	Dated Filed (DI No.)	Dated Filed (DI No.)
Financial Advisor to David T. Austern (Former FCR)								
5/25/10 DI 24834	9/1/09- 9/30/09	\$50,000.00	\$251.49	\$50,000.00	\$251.49	\$0.00	6/2/10 DI 24885	6/7/10 DI 24917
5/21/10 DI 24819	10/1/09- 12/31/09	\$200,000.00	\$2,769.33	\$200,000.00	\$2,769.33	\$0.00	9/10/10 DI 25393	9/13/10 DI 25397
5/21/10 DI 24820	1/1/10- 3/31/10	\$225,000.00	\$571.89	\$225,000.00	\$571.89	\$0.00	9/10/10 DI 25393	9/13/10 DI 25397
11/8/10 DI 25718	4/1/10- 6/30/10	\$200,000.00	\$2,896.38	\$200,000.00	\$2,896.38	\$0.00	12/6/10 DI 25866	12/10/10 DI 25905
1/14/11 DI 26075	7/1/10- 9/30/10	\$165,000.00	\$451.81	\$165,000.00	\$451.81	\$0.00	3/24/11 DI 26623	3/25/11 DI 26627
3/25/11 DI 26634	10/1/10- 12/31/10	\$200,000.00	\$371.83	\$200,000.00	\$371.83	\$0.00	6/28/11 DI 27178	6/30/11 DI 27188
5/17/11 DI 26945	1/1/11- 3/31/11	\$145,000.00	\$626.82	\$145,000.00	\$626.82	\$0.00	9/19/11 DI 27620	9/20/11 DI 27622
8/16/11 DI 27443	4/1/11- 6/30/11	\$180,000.00	\$3,342.16	\$180,000.00	\$3,342.16	\$0.00	12/12/11 DI 28143	12/14/11 DI 28150

Application		Requested Fees and Expenses		Approved/Paid Fees and Expenses as of May 5, 2014		Amounts Outstanding	CNO or COC	Approval Order
Dated Filed (DI No.)	Period Covered	Requested Fees	Requested Expenses	Approved/Paid Fees	Approved/Paid Expenses	Fees/Expenses	Dated Filed (DI No.)	Dated Filed (DI No.)
1/13/12 DI 28356	7/1/11- 9/30/11	\$170,000.00	\$988.86	\$170,000.00	\$988.86	\$0.00	3/12/12 DI 28658	3/23/12 DI 28705
3/27/12 DI 28726	10/1/11- 12/31/11	\$185,000.00	\$3,517.90	\$185,000.00	\$3,480.90	\$0.00	6/11/12 DI 29040	6/14/12 DI 29054
9/14/12 DI 29624	1/1/12- 3/31/12	\$125,000.00	\$675.88	\$125,000.00	\$675.88	\$0.00	12/10/12 DI 30020	12/11/12 DI 30036
9/14/12 DI 29625	4/1/12- 6/30/12	\$190,000.00	\$4,031.95	\$190,000.00	\$4,031.95	\$0.00	12/10/12 DI 30020	12/11/12 DI 30036
11/26/12 DI 29933	7/1/12- 9/30/12	\$185,000.00	\$2,043.07	\$185,000.00	\$1,990.33	\$0.00	3/18/13 DI 30405	3/27/13 DI 30440
5/1/13 DI 30578	10/1/12- 12/31/12	\$200,000.00	\$4,286.56	\$200,000.00	\$4,286.56	\$0.00	7/23/13 DI 30865	7/31/13 DI 30907
9/13/13 DI 31130	1/1/13- 3/31/13	\$70,000.00	\$361.64	\$70,000.00	\$361.64	\$0.00	12/12/13 DI 31456	12/17/13 DI 31482
9/13/13 DI 31263	4/1/13- 5/15/13	\$46,000.00	\$111.28	\$46,000.00	\$111.28	\$0.00	12/12/13 DI 31456	12/17/13 DI 31482
Financial Advisor to Roger Frankel (Successor FCR)								
9/13/13 DI 31264	5/16/13- 6/30/13	\$79,000.00	\$152.88	\$79,000.00	\$152.88	\$0.00	12/12/13 DI 31456	12/17/13 DI 31482
12/5/13 DI 31434	7/1/13- 9/30/13	\$140,000.00	\$3,330.88	\$140,000.00	\$3,330.88	\$0.00	3/28/14 DI 31947	3/26/14 DI 31963
3/21/14 DI 31897	10/1/13- 12/31/13	\$90,000.00	\$893.46	\$72,000 (80% fees – approval pending)	\$702.16 (includes agreed reduction – approval pending)	\$18,000.00 (20% fee holdback – approval pending)	TBD	Set for hearing on May 28, 2014
To Be Considered with this Final Fee App	1/1/14- 2/3/14	\$75,000.00	\$3,603.24	\$60,000 (80% fees – approval pending)	\$3,603.24 (100% expenses – approval pending)	\$15,000 (20% fee holdback – approval pending)	TBD	Set for hearing on October 14, 2014
TOTAL	9/1/09- 2/3/14	\$2,920,000.00	\$35,279.31	\$2,887,000.00	\$34,998.27	\$33,000.00 (fees) \$0.00 (expenses)	--	--

A. Fourth Quarterly Period

13. Below is a summary of the monthly fee applications filed by Lincoln for the Fourth Quarterly Period, a summary of the time expended by Lincoln by professional and by project category, as well as a summary of the reasonable and necessary out-of-pocket expenses incurred by Lincoln during the Fourth Quarterly Period.

MONTHLY FEE STATEMENTS FILED FOR FOURTH QUARTERLY PERIOD

Date Filed (DI No.)	Period Covered	Requested Fees (100%)	Requested Expenses (100%)	Fees Paid	Expenses Paid	CNO Filed (DI No.)
3/24/14 D.I. 31905	1/1/14-2/3/14	\$75,000.00	\$3,603.24	\$60,000.00	\$3,603.24	4/16/14 D.I. 32022
TOTAL:	1/1/14-2/3/14	\$75,000.00	\$3,603.24	\$60,000.00	\$3,603.24	--

**SUMMARY OF TIME EXPENDED BY
PROFESSIONAL DURING FOURTH QUARTERLY PERIOD**

Name of Professional	Position	Hourly Billing Rate³	Total Billed Hours	Total Compensation
Joseph J. Radecki, Jr.	Managing Director	N/A	51.6	N/A
Jason Solganick	Director	N/A	41.3	N/A
Sam Jackson	Associate	N/A	26.7	N/A
Adam Karmali	Analyst	N/A	28.3	N/A
TOTAL:			147.9	\$75,000.00
Blended Rate: \$507.10				

³ Lincoln does not bill on an hourly basis.

**SUMMARY OF COMPENSATION BY
PROJECT CATEGORY DURING FOURTH QUARTERLY PERIOD**

Project Category	Hours Billed	Total Fees Requested⁴
Business Operations	N/A	N/A
Case Administration	N/A	N/A
Financial Analysis	N/A	N/A
Hearings	N/A	N/A
TOTAL:	147.90	\$75,000.00

**SUMMARY OF EXPENSES INCURRED DURING
FOURTH QUARTERLY PERIOD**

Expense Category	Total
Travel – Air	\$2,873.76
Travel – Taxi and Car Service	\$372.00
Travel – Meals	\$30.00
Telecommunications	\$150.23
PACER and Copies	\$177.25
TOTAL:	\$3,603.24

⁴ Lincoln does not bill on an hourly basis; therefore, a calculation of total fees by hour and hourly billing rate is not applicable.

B. Final Fee Period

14. Below are summaries of the time expended by Lincoln by professional and by project category, as well as a summary of the reasonable and necessary out-of-pocket expenses incurred by Lincoln during the Final Fee Period.

**SUMMARY OF TIME EXPENDED BY
PROFESSIONAL DURING FINAL FEE PERIOD**

Name of Professional	Position	Hourly Billing Rate	Total Billed Hours	Total Compensation⁵
Joseph J. Radecki, Jr.	Managing Director	N/A	1,716.3	N/A
Jason Solganick	Director	N/A	816.5	N/A
Sam Jackson	Associate	N/A	121.3	N/A
Claire Burke	Associate	N/A	889.4	N/A
George Coles	Associate	N/A	437.7	N/A
Adam Karmali	Analyst	N/A	117.6	N/A
Benjamin Fischer	Analyst	N/A	116.9	N/A
Andrew Choi	Analyst	N/A	145.3	N/A
TOTAL:			4,361.0	\$2,920,000.00
Blended Rate: \$669.57				

⁵ Lincoln does not bill on an hourly basis.

**SUMMARY OF COMPENSATION BY
PROJECT CATEGORY DURING FINAL FEE PERIOD**

Project Category	Hours Billed	Total Fees Requested⁶
Business Operations	N/A	N/A
Case Administration	N/A	N/A
Financial Analysis	N/A	N/A
Hearings	N/A	N/A
TOTAL:	4,361.00	\$2,920,000.00

SUMMARY OF EXPENSES DURING FINAL FEE PERIOD

Expense Category	Expenses Requested
Telephone	\$7,179.65
Express Mail	647.72
Meals	535.46
Airfare	19,457.96
Hotel	927.39
Transportation	5,955.02
Miscellaneous	576.11
TOTAL:	\$35,279.31⁷

15. As set forth in Lincoln's monthly and quarterly fee applications, in accordance with the factors enumerated in 11 U.S.C. § 330, approval of the fees requested for the Final Fee Period is fair and reasonable given (a) the complexity of the case, (b) the time expended by Lincoln on behalf of the FCR, (c) the nature and extent of the services rendered, (d) the value of such services to the FCR, and to the Debtors and their estates in consummating the Plan, and (e) the costs of comparable services other than in a case under this title. In addition, the out-of-pocket expenses for which reimbursement is sought were actual, reasonable, and necessary costs

⁶ Lincoln does not bill on an hourly basis; therefore, a calculation of total fees by hour and hourly billing rate is not applicable.

⁷ This amount does not reflect agreements by Lincoln to reduce its expenses in the aggregate amount of \$281.04 in connection with its quarterly fee applications during the time periods October 1, 2011 - December 31, 2011 (\$37.00), July 1, 2012 - September 30, 2012 (\$52.74), and October 1, 2013 - December 31, 2013 (\$191.30).

incurred by Lincoln while providing financial advisory services to the Former FCR and the Successor FCR in connection with these Chapter 11 Cases.

16. Pursuant to Bankruptcy Rule 2016(b), Lincoln has not shared and has not agreed to share (a) any compensation it has received with another party or person, or (b) any compensation another person or party has received or may receive in connection with these Chapter 11 Cases.

Review of Applicable Local Rule

17. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies to the best of his information, knowledge and belief that this Final Fee Application substantially complies with Rule 2016-2.

Notice

18. Notice of this Final Fee Application has been served upon the notice parties as specified in the Administrative Order. Lincoln submits that no other or further notice is required.

No Prior Request

19. Other than the applicable quarterly and monthly fee applications filed by Lincoln in these Chapter 11 Cases, no previous application in respect of the relief requested herein has been made to this or any other Court.

WHEREFORE, for all the foregoing reasons, Lincoln respectfully requests that this Court enter an order, substantially in the form attached hereto as **Exhibit A**, as follows:

- (i) awarding Lincoln final compensation for services rendered and expenses incurred in connection with its service as financial advisor to the Former FCR and Successor FCR in these Chapter 11 Cases from September 1, 2009 through February 3, 2014, in the amount of \$2,920,000.00 in fees and \$34,998.27 in expenses, for a total award of \$2,954,998.27; and
- (ii) granting such other relief as this Court deems just and proper.

Respectfully submitted,

LINCOLN PARTNERS ADVISORS LLC

By: /S/ JASON SOLGANICK

Jason Solganick

Director

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Dated: May 6, 2014